## BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter Chair
Cynthia A. Kitlinski Commissioner
Norma McKanna Commissioner
Robert J. O'Keefe Commissioner
Darrel L. Peterson Commissioner

In the Matter of a Summary Investigation to Evaluate Interexchange Long Distance Telephone Service Providers' Compliance with Tariff Filing Requirements ISSUE DATE: May 4, 1988

DOCKET NO. P-999/CI-88-263

ORDER INITIATING INVESTIGATION

The Minnesota Public Utilities Commission (the Commission) is concerned that interexchange long distance carriers providing telephone service in Minnesota may not be complying with Minn. Stat. Section 237.07 (1986).

## That statute states:

It shall be the duty of every telephone company to file with the department a schedule of its exchange rates, tolls, and charges for every kind of service, together with all rules and classifications used by it in the conduct of the telephone business, all of which shall be kept on file by the department subject to public inspection. The department shall require each telephone company to keep open for public inspection at designated offices, so much of these schedules and rules as it deems necessary for the public information.

In its recent investigation in <u>In the Matter of MidAmerican Long Distance Company Changing MTS Rates</u>, <u>Changing its Pricing Plans</u>, and <u>Eliminating Geographical Deaveraging</u>, Docket No. P-461/M-86-584 (May 4, 1988) the Minnesota Department of Public Service (DPS or the Department) discovered that MidAmerican's tariff book was outdated. The Company updated its tariffs by providing a new tariff book in response to information requests by the Department.

The Commission recognizes that the purpose of this statute is to ensure that consumers have access to accurate information on the services offered by a telephone company and the rates charged for those services. Further, the statute ensures that the Commission can perform its duty of reviewing rates. The Commission believes that there may be other interexchange long distance carriers operating in Minnesota without current tariff books on file at the Department. See, In the Matter of LDB Corporation Notifying the Minnesota Public Utilities Commission of a Change in its Long Distance Rates and Volume Discount Structure, Docket No.

P-438/M-88-228 (April 27,1988); <u>In the Matter of a Request by Allnet to Change Tariff Language</u> Concerning its Volume Discount, Docket No. P-437/M-87-726 (April 29, 1988).

The Commission realizes that the telecommunications industry and the regulation of telephone companies have changed dramatically since the divestitute of AT&T. The Commission and the Minnesota legislature have fashioned various new procedures for telephone companies to change their rates and services. These are embodied in Minn. Stat. Section 237.075 (1986), 237.53 through 237.68 (Supp. 1987) and the Commission's Order in In the Matter of a Consolidated Proceeding to Investigate the Provision of Intrastate Intercity Telecommunications Services Within the State of Minnesota, Docket No. P-442, P-443, P-444, P-421,

P-433/NA-84-212 (October 15, 1985). The Commission is very concerned that the ratepaying public is protected during this time of change. Minnesota ratepayers must have access to accurate and current tariffs to evaluate competitive services; Minnesota regulators must be able to rely on the tariffs on file with the Department to evaluate the rates for various services to ensure that the rates charged are fair and reasonable under Minn. Stat. Section 237.06 (1986).

The Commission finds that it cannot satisfactorily remedy noncompliance by long distance providers with Minn. Stat. Section 237.07 (1986) on a case-by-case basis as tariff changes are brought to it by the Department of Public Service. To attempt to do so would perpetuate existing inaccurate tariffs until a company proposes a change in rates or services. Companies that have tariffs on file with the Department which do not reflect the rates actually being charged to customers are charging illegal rates which are subject to refund. See, State by Spannaus v. Northwestern Bell Telephone Company, 304 NW 2d 872 (Minn.1981).

Under its broad investigatory powers, the Commission may investigate any matter related to the provision of telephone service. Minn. Stat. Section 237.081 (1986). The Commission will direct the Department of Public Service to investigate the tariffs currently on file from all interexchange long distance carriers and determine whether those tariffs are accurate. The Commission will also direct the Department to submit a report of its investigation to the Commission within 60 days of this Order and also serve it upon the Residential Utilities Division of the Office of the Attorney General and other parties upon request along with its recommendation for remedial action if it is necessary. The Commission will give all interested parties 10 days to comment on the Department's report.

## **ORDER**

- 1. The Commission hereby initiates a summary investigation under Minn. Stat. Section 237.081 of interexchange long distance carriers' compliance with Minn. Stat. Section 237.06 (1986).
- 2. The Department of Public Service shall conduct an investigation as described above and submit a report to the Commission of its investigation on or before June 15, 1988. This report shall be served upon the Residential Utilities Division of the Office of the Attorney General and other parties upon request. All interexchange long distance carriers in this state shall respond to

DPS information requests within 10 days of the service date of the request.

- 3. On or before June 27, 1988, interested parties may submit comments to the Commission on the DPS report.
- 4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen Executive Secretary

(SEAL)